

**RESOLUTION GRANTING THIRD ROUND SUBSTANTIVE CERTIFICATION #20-09**

**Florence Township, Burlington County**

WHEREAS, on December 31, 2008, Florence Township, Burlington County, petitioned the Council on Affordable Housing (COAH) for substantive certification of a Housing Element and Fair Share Plan addressing its total 1987-2018 affordable housing obligation; and

WHEREAS, pursuant to N.J.S.A. 52:27D-313 and N.J.A.C. 5:96-3.5, on February 18, 2009, the Township published notice of its petition in the Burlington County Times, which is a newspaper of general circulation within the county; and

WHEREAS, COAH received no objections to the plan during the 45-day objection period, which ended April 16, 2009; and

WHEREAS, the Township's fair share plan addresses a total 1987-2018 affordable housing obligation of 308 units, consisting of a 36-unit rehabilitation share, a 114-unit prior round obligation and a 158-unit projected growth share obligation pursuant to N.J.A.C. 5:97; and

WHEREAS, COAH staff has reviewed the Township's Housing Element and Fair Share Plan, which is incorporated by reference herein; and

WHEREAS, the Township proposes to address its 36-unit rehabilitation share with five rehabilitation credits and a rehabilitation program for 31 units; and

WHEREAS, Florence proposes to address its 114-unit prior round obligation with 38 credits for built units, 50 RCAs and 28 rental bonuses from the Roebling Arms and Roebling Inn; and

WHEREAS, Florence proposes to address its 158-unit projected growth share obligation with nine credits for built units, 53 surplus RCAs, six units of inclusionary zoning, nine units of supportive/special needs housing, a 31-unit age-restricted, 100% affordable/municipally sponsored development (Duffy School), a 40-unit market to affordable program, six compliance bonuses from the three inclusionary developments and 12 rental bonuses from the supportive/special needs units; and

WHEREAS, pursuant to N.J.A.C. 5:97-3.2(a)4, Florence has provided an implementation schedule that demonstrates a realistic opportunity for the creation of 31 units through the

municipally-sponsored development and sets forth a timetable for the submittal of all information and documentation required by N.J.A.C. 5:97-6.7; and

WHEREAS, the Florence Township requested a waiver from N.J.A.C. 5:97-9(b)4, asking specifically to exceed the maximum number of market to affordable units in the plan; and

WHEREAS, as explained below and in the COAH compliance report dated June 18, 2009, the waiver meets the requirements of N.J.A.C. 5:96-15.2(b) in that the inclusion of the 40-unit Market to Affordable program as one element of Florence's diverse fair share approach fosters the production of affordable housing, meets the intent of, if not the letter of, COAH's rules and is one element of a Fair Share Plan which provides a mix of housing options; and

WHEREAS, Florence states that it has a history of working with affordable housing providers to produce varied housing opportunities, including the Multiple Sclerosis Association, the Affordable Homes Group and Family Services of Burlington County; and

WHEREAS, the Township proposes to deed-restrict six of the 20 Market to Affordable rental units for very low-income households; and

WHEREAS, Florence submitted Multiple Listing Services ("MLS") data to show that there are ample units on the market each year to provide opportunities to acquire and deed-restrict an average of four units each year; and the Township's proposed spending also allocates \$2.4 million for rental units (\$120,000 per unit) and \$2.0 million for sale units (\$100,000 per unit); and

WHEREAS, Florence intends to implement aggressively the Market to Affordable program as explained in the compliance report dated June 18, 2009, has contracted with Frank Piazza Associates to serve as the administrative agent for the program and has prepared a draft affordable housing ordinance and a draft affirmative marketing plan as part of its third round petition; and

.WHEREAS, a COAH Task Force considered this waiver request on June 2, 2009 and recommended to the entire board that it approve the waiver; and

WHEREAS, the Council at its meeting on July 8, 2009 granted the waivers based on the task force recommendation; and

WHEREAS, pursuant to N.J.A.C. 5:96-6.2(a)2, on June 18, 2009, COAH issued a Compliance Report (attached as Exhibit B and incorporated by reference herein) recommending approval of Florence Township's petition for third round substantive certification; and

WHEREAS, there was a 14-day period to submit comments to the COAH Compliance Report pursuant to N.J.A.C. 5:96-6.2(b) and COAH received no comments during this timeframe.

NOW THEREFORE BE IT RESOLVED that the Housing Element and Fair Share Plan submitted by Florence Township comports to the standards set forth at N.J.S.A. 52:27D-314 and meets the criteria for third round substantive certification pursuant to N.J.A.C. 5:96-6.3; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.2(a), after having reviewed and considered all of the above, COAH hereby grants third round substantive certification to Florence Township; and

BE IT FURTHER RESOLVED that after receiving final substantive certification, pursuant to N.J.A.C. 5:96-6.3(e), Florence Township shall adopt all implementing Fair Share Ordinances within 45 days of this grant of substantive certification; and

BE IT FURTHER RESOLVED if Florence Township fails to timely adopt its Fair Share Ordinances, COAH's grant of substantive certification shall be void and of no force and effect; and

BE IT FURTHER RESOLVED that Florence shall submit all Fair Share Ordinances to COAH upon adoption; and

BE IT FURTHER RESOLVED that Florence shall comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting Florence's actual growth pursuant to N.J.A.C. 5:97-2.5; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-10.1, COAH shall conduct biennial plan evaluations upon substantive certification of Florence's Housing Element and Fair Share Plan to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the municipality and to

determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing; and

BE IT FURTHER RESOLVED that if upon any biennial review the difference between the number of affordable units constructed or provided in Florence and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a pro-rated production shortage of 10 percent or greater, the Township is not adhering to its implementation schedule pursuant to N.J.A.C. 5:97-3.2(a)4 or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, then the Council may direct the municipality to amend its plan to address the shortfall; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:97-2.5(e), if the actual growth share obligation determined is less than the projected growth share obligation, Florence shall continue to provide a realistic opportunity for affordable housing to address the projected growth share; and

BE IT FURTHER RESOLVED that pursuant to N.J.A.C. 5:96-6.3(b), Florence's substantive certification shall remain in effect until December 31, 2018; and

BE IT FURTHER RESOLVED that any changes to the facts upon which this substantive certification is based or any deviations from the terms and conditions of this substantive certification which affect the ability of Florence Township to provide for the realistic opportunity of its fair share of low- and moderate-income housing and which the Township fails to remedy, may render this certification null and void.

I hereby certify that this resolution was  
duly adopted by the Council on Affordable  
Housing at its public meeting on July 8, 2009

A handwritten signature in cursive script, reading "Renee Reiss". The signature is written in black ink and is positioned above the printed name of the signatory.

Renee Reiss, Secretary  
Council on Affordable Housing



***Council on Affordable Housing  
Compliance Report  
June 18, 2009***



**Municipality:** Florence Township  
**County:** Burlington County

**COAH Region:** #5  
**Planning Area:** PA2, PA4  
**Special Resource Area:** None

**Housing Element and Fair Share Plan Adopted:** December 2, 2008  
**Petition for 3<sup>rd</sup> Round Substantive Certification:** December 31, 2008  
**Completeness Determination:** February 18, 2009  
**Date of Publication:** February 22, 2009 (Burlington County Times)

**Objections Received:** No

**Petition Includes:**

**VLA:** No

**GPA:** No

**Waiver:** Yes

**Section:** N.J.A.C. 5:97-6.9(b)4

**Date of Site Visit:** Pending

**History of Approvals:**

	<b>COAH</b>	<b>JOC</b>	<b>N/A</b>
<b>First Round:</b>	7/01/92		
<b>Second Round:</b>	4/07/99		
<b>Extended Certification:</b>	7/27/05		

**Plan Preparer:** Kathleen Grady, PP/AICP

**Municipal Housing Liaison:** Richard Brook

**Recommendation:** Grant Substantive Certification

***SUMMARY OF FAIR SHARE OBLIGATION***

Rehabilitation Share	36
Prior Round Obligation	114
Projected Growth Share Obligation	158

***ACTUAL GROWTH and GROWTH SHARE through September 2008<sup>1</sup>***

<b>Res Units (#)</b>	<b>Actual Res Growth Share</b>	<b>Jobs (#)</b>	<b>Actual Non-Res Growth Share</b>	<b>Actual TOTAL Growth Share</b>
246	49 units	164	10 units	59 units

***COMPLIANCE PLAN SUMMARY***

<b>Obligation</b>	<b>Credit/ Mechanism Type</b>	<b># Units Completed</b>	<b># Units Proposed</b>	<b>TOTAL</b>
<b>Rehabilitation: 36 units</b>				
<b>Credits</b>	Post-April 1, 2000	5		5
<b>Program</b>	County/Municipal		31	31
<b>Rehabilitation Subtotal</b>				<b>36</b>
<b>NEW CONSTRUCTION:</b>				
<b>Prior Round: 114 units</b>				
<b>Prior Round Bonuses</b>	Post-1986	38		38
	RCA	50		50
	Rental	24		24
	Age-Restricted Rental	4		4
<b>Prior Round Subtotal</b>				<b>116</b>
<b>Growth Share: 158 units</b>				
<b>Credits</b>	Excess Prior Round RCAs	53		53
	Post-1986	9		9
<b>Proposed Mechanisms</b>	Inclusionary Zoning		6	6
	Supportive/Special Needs Housing		9	9
	100% affordable/Municipally sponsored		31	31
	Market to Affordable		40	40

<sup>1</sup> This growth share number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.5; therefore, the actual growth share may vary.

<b>Growth Share Bonuses</b>	Compliance	6		6
	Rental	12		12
<b>Growth Share Subtotal</b>				<b>166</b>
<b>Surplus</b>				<b>8</b>

## **I. HOUSING ELEMENT**

Pursuant to N.J.S.A. 40:55D-28(b), the Housing Element is a required section of the Municipal Master Plan. The Housing Element must be designed to achieve the goal of access to affordable housing to meet existing and future housing needs, with special attention given to low- and moderate-income households. The housing needs analysis must include demographic information on existing and projected housing stock and employment characteristics, a quantification of low- and moderate-income housing need, and a consideration of the lands within the municipality that are most appropriate to accommodate such housing. Florence's Housing Element includes sufficient information regarding housing stock, demographic and employment characteristics and population trends pursuant to N.J.S.A. 52:27D-310.

Under N.J.A.C. 5:97-2.1(b), the Housing Element must also set forth the municipality's fair share obligation, which is the sum of the rehabilitation share, the prior round obligation, and the growth share.

### **A. Rehabilitation Share**

The rehabilitation share is the number of existing housing units within a municipality as of April 1, 2000, that are both deficient and occupied by households of low or moderate income. As indicated in Appendix B of N.J.A.C. 5:97, Florence has a rehabilitation share of 36 units.

### **B. Prior Round Obligation**

The prior round obligation is the cumulative 1987-1999 new construction obligation provided in Appendix C of N.J.A.C. 5:97. Florence has a prior round obligation of 114 units.

### **C. Projected Growth Share**

The projected growth share is initially calculated based on household (residential) and employment (non-residential) 2004-2018 projections. Pursuant to Appendix F of N.J.A.C. 5:97, Florence has a residential projection of 644 units and a non-residential projection of 464 jobs, which results in an initial projected growth share obligation of 158 affordable units. Therefore, Florence's total projected growth share for the period 1999-2018 is 158 affordable units consisting of a 128.8-unit projected residential growth share and a 29-unit projected non-residential growth share.<sup>2</sup>

#### **SUMMARY OF FAIR SHARE OBLIGATION**

Rehabilitation Share	36
Prior Round Obligation	114
Projected Growth Share Obligation (Net)	158

### **II. FAIR SHARE PLAN**

A Fair Share Plan, as required under N.J.A.C. 5:97-3.1, describes the completed or proposed mechanisms and funding sources, if applicable, that will be utilized to address specifically a municipality's rehabilitation share, prior round obligation, and growth share obligation and includes the draft ordinances necessary to implement that plan. Affordable housing must be provided in direct proportion to the growth share obligation generated by the actual growth.

Florence's Fair Share Plan, and the supporting documentation incorporated by reference therein address the requirements of N.J.A.C. 5:97-3.1 as follows:

---

<sup>2</sup> Pursuant to N.J.A.C. 5:97-2.2(d), Florence's residential projection of 644 is divided by 5 to yield 128.8 units and the nonresidential projection of 464 jobs is divided by 16 to yield 29 units. Florence's total projected growth share is therefore 158 units (res 129 + non-res 29).



**A. Plan to Address Rehabilitation Share**

**Rehabilitation Share Credits**

Florence is requesting credit for five units rehabilitated subsequent to April 1, 2000. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

**Rehabilitation Credits**

<b>Rehabilitation Program</b>	<b># Credits</b>
Burlington County Rehabilitation Program	5
<b>TOTAL</b>	<b>5</b>

**Proposed Rehabilitation Programs**

***Burlington County and Florence Township Rehabilitation Programs***

Florence will utilize the Burlington County Rehabilitation Program supplemented by a Township program to address the remaining 31 units of its rehabilitation obligation. Through an MOU, the County has committed to rehabilitate 31 units by 2018. In the event county funding is not available, the Township will fully fund the rehabilitation program with monies from its affordable housing trust fund or general Township revenues. While the county program targets owner-occupied units, the Township program will be available to both owner-occupied and renter-occupied units. Florence has dedicated \$310,000 in its spending plan for the rehabilitation program. The Township has also passed a resolution of intent to bond for the rehabilitation program in the event of a shortfall of funds (Res. 2008-238, adopted December 17, 2008). The Township has stated it will supply a rehabilitation manual prior to the date of substantive certification.

**Proposed Rehabilitation Program(s)**

<b>Rehabilitation Program</b>	<b># Units</b>
County/Municipal Rehabilitation Program	31
<b>TOTAL</b>	<b>31</b>

**B. Plan to Address Prior Round Obligation**

**Prior Round Obligation Credits**

Florence is addressing its prior round obligation with 38 post-1986 credits, 50 RCAs and 28 rental bonuses (24 family rental and four age-restricted rental bonuses). All of these projects are completed. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

**Post-1986 Credits**

<b>Project/Development Name</b>	<b>Year Built or Approved</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
Roebeling Arms/MSA	1998	Special needs rental	24	Rental	24	48
Roebeling Inn	1997	Age-restricted rental	14	Age-restricted rentals	4	18
RCAs <sup>3</sup>		Scattered site rehabilitation	50	N/A	N/A	50
<b>TOTALS</b>			<b>88</b>		<b>28</b>	<b>116</b>
<b>Surplus</b>						<b>2</b>

<sup>3</sup> Florence's previously certified plan included a 103-unit RCA with Pemberton Township. The Township is applying 50 RCA credits to the Prior Round Obligation and the balance to the Growth Share Obligation.

### **Proposed Affordable Housing Mechanisms**

Florence is relying on credits and therefore is not proposing any additional affordable housing mechanisms to address its prior round obligation.

### **Prior Round Obligation Parameters**

Florence has satisfied the applicable Prior Round parameters as follows:

#### **Prior Round Rental Obligation:<sup>4</sup> 29 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>
Roebling Arms	Special needs rental	24
Roebling Inn	Age-restricted rental	14
<b>TOTAL</b>		<b>38</b>

#### **Prior Round Age-Restricted Maximum<sup>5</sup>: 23 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>
Roebling Inn	Age-restricted rental	14
<b>TOTAL</b>		<b>14</b>

<sup>4</sup> Rental Obligation: 25 percent (Prior Round Obligation – Prior Cycle Credits – Impact of 20% cap – Impact of the 1,000 Unit Limitation) = .25(114 – 0 – 0 – 0)=29 N.J.A.C. 5:97-3.10

<sup>5</sup> Age-Restricted Maximum: 25 percent (Prior Round Obligation + Rehabilitation Share - Prior Cycle Credits – Rehabilitation Credits - Impact of 20% cap – Impact of the 1,000 Unit Limitation – Transferred or Proposed RCA Units Addressing the Prior Round Obligation) = .25(114 + 36 - 0 - 5 - 0 - 0 - 50) = 23.75 = 23 N.J.A.C. 5:97-3.10

**Regional Contribution Agreement (RCA) Maximum<sup>6</sup>: 72 Units**

Receiving Florence's RCAs	Type of Affordable Unit	# Units
Pemberton Township	Rehabilitation	50
<b>TOTAL</b>		<b>50</b>

**Prior Round Rental Bonus Maximum<sup>7</sup>: 29 Units**

Development/Project Name	Type of Bonus	# Bonuses
Roebling Arms	Rental	24
Roebling Inn	Age-restricted rental (14 units X 0.33)	4
<b>TOTAL</b>		<b>28</b>

**C. Plan to Address Projected Growth Share**

**Growth Share Obligation Credits**

Florence is addressing 69.5 units of the projected growth share obligation with a 22-unit prior round surplus, 31 excess RCA credits from the prior round, nine units of credit and 7.5 rental bonuses. In accordance with N.J.A.C. 5:97-4.1(d), all credits will be verified and validated during monitoring subsequent to substantive certification pursuant to N.J.A.C. 5:96-11.

<sup>6</sup> RCA Maximum: Pursuant to N.J.A.C. 5:97-4.1(c), the Council shall honor RCA credits included in Florence's previously certified plan.

<sup>7</sup> No rental bonuses shall be granted for rental units in excess of the prior round rental obligation, therefore, PR Rental Bonus Maximum = PR Rental Obligation N.J.A.C. 5:97-3.5

**Post-1986 Credits**

<b>Project/Development Name</b>	<b>Year Built or Approved</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
Regional Contribution Agreement		RCA-scattered rehabilitation	53			53
Transitional Housing Services <sup>8</sup> —340 Alden Street	2003	Permanent supportive housing	2	Rental	2	4
Transitional Housing Services—717 West Second Street	1999	Permanent supportive housing	1	Rental	1	2
Transitional Housing Services—140 Alden Street	1999	Permanent supportive housing	2	Rental	2	4
Family Services—2 1-bedroom units at Tollgate	2008 <sup>9</sup>	Permanent supportive housing	2	Rental	2	4
Family Services-Tollgate	2008	Group home	2	Special needs rental (.25/bedroom)	0.5	2.5
<b>TOTALS</b>			<b>62</b>		<b>7.5</b>	<b>69.5</b>

**Proposed Affordable Housing Mechanisms**

Florence proposes to address the remaining 88.5-unit growth share obligation through the following mechanisms:

<sup>8</sup> Transitional Housing Services is a subsidiary of The Affordable Homes Group. THS is a non-profit developer and provider of emergency and transitional housing as well as special needs housing.

<sup>9</sup> Family Services purchased the units/bedrooms noted in this table in June 2008 and the units are currently occupied. A condition of an approval for the construction of other Family Services units in Florence requires Family Services to place 30-year affordability controls on the above units.

### **Duffy School—100% Affordable/Municipally Sponsored Project**

Florence will utilize the proposed 45-unit Duffy School project to address 31 units of its projected growth share obligation. The 100% affordable, municipally sponsored project is an age-restricted rental development to be created in an existing school building. The Florence Board of Education transferred the school to the Township for one dollar (\$1). After issuing an RFP, the Township selected Community Investment Strategies (“CIS”) and approved a developer’s agreement with CIS on November 12, 2008. The Township will donate the site to CIS.

The school is on approximately one acre of land and is surrounded on three sides by residential uses and on one side by commercial establishments. In accordance with the developer’s agreement, CIS will develop, own and manage the units, including affirmatively marketing the units. At least half the units will be low-income, including six very low-income units, and the project will meet the bedroom distribution requirements of UHAC (N.J.A.C. 5:80-26). The agreement requires a minimum of 45-year affordability controls. The Township’s petition includes a pro forma statement for the complex indicating potential funding sources as well as a construction schedule. The Township has adopted a resolution of intent to bond for any shortfall in the municipally sponsored construction program. **[31 age-restricted rental units]**

### **Transitional Housing Services—Supportive/Special Needs Housing**

Transitional Housing Services will provide four new permanent supportive housing units at 340 Alden Street in a structure rebuilt on the site of a building recently demolished by fire. The Zoning Board’s final approval on September 27, 2005 contains a condition that the applicant provide a 30-year deed restriction for these four units as well as for a total of five additional, existing permanent supportive housing units owned by Transitional Housing Services at 340 Alden Street (two units behind the new construction site), one unit at 717 West Second Street and two units at 140 Alden Street. These last three properties are included in the “Post-1986 Credits” on the previous page. **[4 units and 3 rental bonuses]**

### **Family Services—Supportive/Special Needs Housing**

Family Services is proposing a five-bedroom group home at a site to be determined. The checklist submitted with the Township's petition indicates this home will be operational in 2010. The units will be funded through the NJHMFA Special Needs program or other outside funding sources. The Township will provide through its trust fund \$35,000 per-COAH eligible bedroom for a total of \$175,000. Family Services has agreed to provide minimum 30-year affordable housing deed restrictions on the facility. **[5 bedrooms and 1.25 rental bonuses]**

### **Orleans—Inclusionary Zoning**

The developer (Orleans Homebuilders, Inc.) received final approval on July 17, 2006 for 21 units of which three will be affordable sale units. The Orleans site (Block 170/Lot 1.01) is an 83-acre parcel on Bustleton Road/Route 661 in the AGR Agricultural zone. The development will be privately financed. Since this project was approved under the former growth share ordinance and the units will be built on-site, the Township is requesting three compliance bonuses. **[3 family sale units and 3 compliance bonuses]**

### **Sassman—Inclusionary Zoning**

The developer (Sassman) received final approval on July 24, 2007 for commercial space and for seven residential units, two of which will be affordable sale units. The Sassman site (Block 126.02/Lot 1) is a 2.43 acre parcel at 100 Main Street in the NC Neighborhood Commercial and PA Low Density Residential zones. The development will be privately financed. Since the project was approved under the growth share ordinance and the units will be built on-site, the Township is requesting two compliance bonuses. **[2 family sale units and 2 compliance bonuses]**

### **Albax—Inclusionary Zoning**

The developer (Albax, LLC) received final approval on December 17, 2007 for seven residential units, one of which will be an affordable sale unit. The Albax site (Block 100/Lot 8.03) is located on a 2.4 acre parcel on Hamilton Avenue in the RA Low-

Density Residential zone. The development will be privately financed. Since the project was approved under the growth share ordinance and the units will be built on-site, the Township is requesting one compliance bonus. **[1 family sale unit and 1 compliance bonus]**

### **Market to Affordable Program**

Florence is proposing a 40-unit Market to Affordable program including 20 low-income rental and 20 moderate-income sale units. The Township will purchase 40 units over the ten-year period and either rent or sell them to eligible households. The Township has a tentative contract with Piazza and Associates to serve as the administrative agent for this program. COAH will require that the Township execute this contract within 45 days of substantive certification. The units will be: 1) certified to be in sound condition by the Township's building inspector prior to occupancy; 2) purchased with a variety of funding sources and with an estimated average per-unit cost of \$120,000 for the rental program and \$100,000 for the sale program; 3) have affordable rents and sales prices established in accordance with N.J.A.C. 5:97-9 and N.J.A.C. 5:80-26 et seq; 4) have a minimum of 30-year affordability controls; 5) be affirmatively marketed by the administrator in accordance with the Township's affirmative marketing plan and; 6) can be acquired from a housing stock with sufficient units in the \$165,000 to \$250,000 price range and with sufficient turnover to make the program viable.

The Township states that the proposed program meets all but one of the requirements of N.J.A.C. 5:97-6.9, specifically 6.9(b)4, which pertains to the number of units a town may include in a market to affordable program. The maximum number under that regulation is 10 sale and 10 rental units or 10 percent of the fair share obligation, whichever number is greater, or 20 units for the 158-unit growth share obligation. Florence therefore requested a waiver, pursuant to N.J.A.C. 5:96-15, to exceed the initial limitation for the proposed market to affordable program.

Florence asserts that granting this relief will foster the production of affordable housing and meet the intent, if not the letter of, COAH's rules. Florence originally proposed a 10-unit buydown (for-sale units) and a 10-unit rental acquisition program in its 2005 petition for substantive certification under N.J.A.C. 5:94. The Township did not



have the opportunity to implement that program because the 2007 Appellate Court decision precluded Florence's attaining certification and thus spending monies allocated for the program in its spending plan. Florence asserts that, had it received certification, it would today be able to show a positive track record.

Florence states that it has a history of working with affordable housing providers to produce varied housing opportunities. Florence transferred ownership of municipally owned land for \$1.00 to the Multiple Sclerosis Association for the construction of the Roebing Arms (a 24-unit family rental development), is transferring the Duffy School property to Community Investment Strategies for a 100% affordable, age-restricted rental development and has worked with both Family Services and Transitional Housing Services in producing special needs/supportive housing. Florence also has several sites which have produced affordable sale units within inclusionary developments.

The Township proposes to deed-restrict six of the 20 Market to Affordable rental units for very low-income households. Florence submitted Multiple Listing Services ("MLS") data to show that there are ample units on the market each year to provide opportunities to acquire and deed-restrict an average of four units each year. The spending plan submitted with the petition includes allocations for the Market to Affordable program. Florence has allotted \$2.4 million for rental units (\$120,000 per unit) and \$2.0 million for sale units (\$100,000 per unit).

Florence intends to implement aggressively the Market to Affordable program. The Township has identified specific actions to promote a viable program, including taking advantage of the notification requirements in the Mortgage Stabilization Act. Pursuant to that Act, the Township receives notification of properties undergoing foreclosure and will have an opportunity to purchase and deed-restrict the units. Florence will also continue working with Salt and Light, a non-profit affordable housing developer, to realize additional affordable units through the Market to Affordable program. Florence is in discussions with Frank Piazza, an experienced affordable housing administrator who will oversee and serve as the administrative agent for the program. The administrative agent will be responsible for developing an operating manual for the program to comply with COAH and UHAC requirements. Florence must submit a

documentation of their agreement with the administrative agent within 45 days of substantive certification.

Florence has submitted a draft affordable housing ordinance and a draft affirmative marketing plan as part of its third round petition.

A task force discussed the waiver request on June 2, 2009. The task force recommended approval of Florence's waiver request from the requirements of N.J.A.C. 5:97-9(b)4 based on the finding that the inclusion of the 40-unit Market to Affordable program as one element of Florence's diverse fair share approach fosters the production of affordable housing, meets the intent of, if not the letter of, COAH's rules and is one element of a Fair Share Plan which provides a mix of housing options.

**[20 family sale units and 20 family rental units]**

**Proposed Growth Share Affordable Housing Mechanisms**

<b>Type/Name of Affordable Housing Mechanism</b>	<b>Type of Affordable Unit</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
Duffy School	Age-restricted rental	31	N/A	0	31
Transitional Housing Services-Special needs/supportive housing	Permanent supportive housing	4	Rental	3	7
Family Services-Special needs/supportive housing	Group home	5	Special needs bedrooms	1.25	6.25
Orleans-Inclusionary housing	Family for-sale	3	Compliance	3	6
Sassman-Inclusionary zoning	Family for-sale	2	Compliance	2	4
Albax-Inclusionary zoning	Family for-sale	1	Compliance	1	2

Market to Affordable	20 moderate-income for-sale, 20 low-income rental	40	N/A	0	40
<b>TOTALS</b>		<b>86</b>		<b>10.25</b>	<b>96.25</b>

### **Growth Share Parameters**

Florence has satisfied the applicable Growth Share parameters as follows:

#### **Growth Share Rental Obligation:<sup>10</sup> 40 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>
Duffy School	Age-restricted Rentals	31
Transitional Housing Services-340 Alden Street	Permanent supportive housing	4
Transitional Housing Services-340 Alden Street	Permanent supportive housing	2
Transitional Housing Services—717 West Second Street	Permanent supportive housing	1
Transitional Housing Services—140 Alden Street	Permanent supportive housing	2
Family Services--Tollgate	Permanent supportive housing	2
Family Services--Tollgate	Group home	2
Family Services-proposed group home	Group home	5
Market to Affordable	Family rental	20
<b>TOTAL</b>		<b>69</b>

<sup>10</sup> Projected Growth Share Rental Obligation: .25(Projected Growth Share) or .25(158)= 39.5 units  
N.J.A.C. 5:97-3.10(b)3

**Growth Share Family Rental Requirement<sup>11</sup> : 20 Units**

Development/Project Name	Type of Affordable Unit	# Units
Market to Affordable	Family rental	20
<b>TOTAL</b>		<b>20</b>

**Growth Share Minimum Family Requirement<sup>12</sup> : 45 Units**

Development/Project Name	Type of Affordable Unit	# Units
Orleans	Family sale	3
Albax	Family sale	1
Sassman	Family sale	2
Market to Affordable	Family sale	20
Market to Affordable	Family rental	20
<b>TOTAL</b>		<b>46</b>

**Very Low Income Minimum Requirement<sup>13</sup> : 11 Units**

Development/Project Name	Type of Affordable Unit	# Units
Duffy School	Age-restricted rental	6
Market to Affordable	Family rental	6
<b>TOTAL</b>		<b>12</b>

<sup>11</sup> Projected Growth Share Family Rental Requirement: .5(Projected Growth Share Rental Requirement) or .5(40)= 20 units N.J.A.C. 5:97-3.4(b)

<sup>12</sup> Projected Growth Share Family Requirement: .5(Units Addressing the Growth Share Obligation) or .5(90)= 45 units N.J.A.C. 5:97-3.9

<sup>13</sup> Growth Share Very Low Income Requirement: .13(units built on or after 7/17/08 addressing growth share) or .13(86)= 11 units pursuant to P.L.2008, c.46

**Age-Restricted Maximum<sup>14</sup> : 31 Units**

<b>Development/Project Name</b>	<b>Type of Affordable Unit</b>	<b># Units</b>
Duffy School	Age-restricted rental	31
<b>TOTAL</b>		<b>31</b>

**Bonus Maximum<sup>15</sup>: 39 Bonuses**

<b>Development/Project Name</b>	<b>Type of Bonus</b>	<b># Bonuses</b>
Orleans	Compliance	3
Albax	Compliance	1
Sassman	Compliance	2
Transitional Housing Services-Tollgate	Rental	2
Transitional Housing Services-Tollgate	Special needs bedrooms	0.5
Transitional Housing Services-340 Alden Street	Rental	3
Transitional Housing Services-340 Alden Street	Rental	2
Transitional Housing Services-717 West Second Street	Rental	1
Transitional Housing Services 140 Alden Street	Rental	2
Family Services—proposed group home	Special needs bedrooms	1.25
<b>TOTAL</b>		<b>17.75</b>

<sup>14</sup> Projected Growth Share Age Restricted Maximum:  $.25(\text{Projected Growth Share})$  or  $.25(158)=31$  units  
N.J.A.C. 5:97-3.10

<sup>15</sup> Projected Bonus Maximum:  $.25(\text{Projected Growth Share})$  or  $.25(158)= 39$  units N.J.A.C. 5:97-3.20(b)

### **Actual Growth Share Obligation**

The actual growth share obligation will be based on permanent certificates of occupancy issued within the Florence for market-rate residential units and newly constructed or expanded non-residential developments in accordance with Appendix D of N.J.A.C. 5:97. At plan evaluation review pursuant to N.J.A.C. 5:96-10, COAH will compare the actual growth share obligation with the actual number of affordable units constructed.

The New Jersey Department of Community Affairs (NJ DCA) *Construction Reporter* indicates that between January 1, 2004 and September 2008, Florence has issued certificates of occupancy for 246 housing units and also for the nonresidential square footage equivalent of 164 jobs, yielding an actual growth share obligation through September 30, 2008, of 59 affordable units.<sup>16</sup>

#### **D. Summary of Plan to Address Fair Share Obligation**

##### **REHABILITATION SHARE SUMMARY**

##### **Rehabilitation Share: 36 Units**

<b>Program Name</b>	<b># Units</b>
Credits	5
County/Municipal Program	31
<b>TOTAL</b>	<b>36</b>

---

<sup>16</sup> The number of residential COs (246) is initially divided by 5 to yield 49 units and the number of jobs (164) is initially divided by 16 to yield 10 units. Florence's total actual growth share is therefore 59 units (res 49 + non-res 10). **Note:** This number does not take into account allowable exclusions permitted under N.J.A.C. 5:97-2.5; therefore, the actual growth share may vary.

**PRIOR ROUND SUMMARY**  
**Prior Round Obligation: 114 Units**

	<b>Name of Mechanism</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
<b>Post-1986 Credits</b>	Roebling Arms/MSA	24	Rental	24	48
	Roebling Inn	14	Age-restricted rentals	4	18
	Regional Contribution Agreement	50			50
<b>Subtotal</b>		<b>86</b>		<b>28</b>	<b>116</b>
<b>Surplus</b>					<b>2</b>

**GROWTH SHARE SUMMARY**  
**Projected Growth Share Obligation: 158 Units**

	<b>Name of Mechanism</b>	<b># Units/Bedrooms</b>	<b>Bonus Type</b>	<b># Bonuses</b>	<b>Total Units/Bedrooms + Bonuses</b>
<b>Credits</b>	Regional Contribution Agreement	53			53
	Transitional Housing Services-340 Alden Street	2	Rental	2	4
	Transitional Housing Services-717 W. Seventh Street	1	Rental	1	2
	Transitional Housing Services -140 Alden Street	2	Rental	2	4

	Family Services-Tollgate	2	Rental	2	4
	Family Services-Tollgate	2	Special Needs bedrooms	0.5	2.5
<b>Subtotal</b>		<b>60 units/2 bedrooms</b>		<b>7.5</b>	<b>69.5</b>
<b>Proposed Mechanisms</b>	Duffy School	31			31
	Transitional Housing Services -340 Alden Street	4	Permanent supportive housing	3	7
	Family Services-proposed group home	5	Special Needs bedrooms	1.25	6.25
	Orleans	3	Compliance	3	6
	Albax	1	Compliance	1	2
	Sassman	2	Compliance	2	4
	Market to Affordable	40	20 family sale—20 family rental	0	40
<b>Subtotal</b>		<b>86</b>		<b>8.25</b>	<b>96.25</b>
<b>TOTAL</b>					<b>165.75</b>
<b>Surplus</b>					<b>8</b>

### III. FAIR SHARE DOCUMENT REVIEW

#### A. Development Fee Ordinance

Florence submitted a draft development fee ordinance amendment for COAH's review and approval with its third round petition. The development fee ordinance amendment was approved by COAH on March 24, 2009.



**B. Third Round Spending Plan**

A third round spending plan was submitted by Florence with the Township's third round petition for COAH's review and approval. The spending plan will be reviewed by COAH in a separate report.

**C. Affordable Housing Ordinance/Affordable Housing Administration**

Florence has submitted a draft affordable housing ordinance that comports with the requirements of the Uniform Housing Affordability Controls (UHAC), N.J.A.C. 5:80-26.1 *et seq.*, which was amended on December 20, 2004. The draft proposed ordinance complies with the barrier free subcode of the State Uniform Construction Code Act (N.J.S.A. 52:27D-119 *et seq.*) and the accessibility requirements of N.J.S.A. 52:27D-123.15. The draft ordinance must be adopted within 45 days of COAH's grant of substantive certification and submitted to COAH immediately upon adoption. An ordinance establishing the position of a municipal housing liaison and a resolution appointing a municipal housing liaison were adopted by the Township on September 20, 2006. A designation form confirming Richard Brook, Township Administrator, as the Municipal Housing Liaison, was submitted on May 9, 2008.

Florence is responsible for the continued re-sale and re-rental of existing affordable units and the initial sale and rental of newly constructed affordable units within the Florence and must identify an experienced administrative entity for that purpose by the contract, agreement or letter. Florence has stated that the Township contracts with HAS as its administrative entity for all affordable units in Florence with the exception of the Market to Affordable program for which Piazza and Associates will be the administrative agent. Florence must submit proof of both contracts within 45 days of substantive certification.

**D. Affirmative Marketing Plan**

Florence has submitted an affirmative marketing plan that comports with the requirements of the UHAC and ensures the units in the Florence's 1987-2018 Fair Share Plan and all future affordable housing units will be affirmatively marketed to the region upon initial sale/rental and re-sale/re-rental. Once approved by COAH, the affirmative

marketing plan must be adopted by resolution by the Florence within 45 days of COAH's grant of substantive certification and submitted to COAH.

#### **IV. MONITORING**

Florence must comply with COAH monitoring requirements as set forth in N.J.A.C. 5:96-11, including reporting the Township's actual growth pursuant to N.J.A.C. 5:97-2.5. Pursuant to N.J.A.C. 5:96-10.1, COAH will conduct biennial plan evaluations upon substantive certification of Florence's Housing Element and Fair Share Plan. The purpose of the plan evaluation is to verify that the construction or provision of affordable housing has been in proportion to the actual residential growth and employment growth in the Florence and to determine that the mechanisms addressing the projected growth share obligation continue to present a realistic opportunity for the creation of affordable housing. If upon any biennial review the difference between the number of affordable units constructed or provided in Florence and the number of units required pursuant to N.J.A.C. 5:97-2.5 results in a pro-rated production shortage of 10 percent or greater or the mechanisms addressing the projected growth share obligation no longer present a realistic opportunity for the creation of affordable housing, the Council may direct Florence to amend its plan to address the shortfall.

#### **V. RECOMMENDATION**

COAH staff recommends that Florence be granted third round substantive certification. COAH also recommends approval of the waiver from N.J.A.C. 5:97-6.9(b)4 for the 40-unit market to affordable program. Florence must adopt all necessary implementing ordinances within 45 days of the grant of substantive certification and submit certified copies of the adopted ordinances to COAH within seven days of the adoption. Florence must also provide, within 45 days of substantive certification: proof of an agreement with Piazza and Associates to serve as the administrative agent for the MTA program; a contract with HAS for the non-MTA affordable units; and; a rehabilitation manual.